



U.S. Department of
Transportation

Office of the Secretary
of Transportation

PAGE CHANGE

DOT 2750.1A
CHG 1

7-1-87

Subject: VOUCHER EXAMINATION MANUAL - CHANGE

1. PURPOSE. This Page Change transmits additional pages to chapter 2 of DOT 2750.1A, Voucher Examination Manual, of 6-21-83.
2. EXPLANATION OF CHANGE. New paragraph 15 updates the Manual to include guidance concerning minimum dollar amounts for initiating collection action and refund processing. Generally, the policy is that collection and refund actions will not be initiated when the amounts are nominal and the processing costs are likely to exceed the sums to be collected or refunded. Paragraph 15 also updates the Manual to conform with the Comptroller General's decision B-217181. This decision addresses the minimum dollar amount for initiating collection action and refund processing in cases involving current Federal employees.
3. FILING INSTRUCTIONS.
 - a.

<u>Remove Pages</u>	<u>Dated</u>	<u>Insert Pages</u>	<u>Dated</u>
2-17	6-21-83	2-17 2-18 thru 2-20	6-21-83 7-1-87
 - b. This transmittal should be retained for reference purposes.

FOR THE SECRETARY OF TRANSPORTATION:

*Insert
Page*

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For the Assistant Secretary for
Administration

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All Operating Administrations

OPI: Office of
Financial
Management

- f. An interest penalty will be paid automatically when all of the following conditions take place (par. 8, OMB Circular A-125):
- (1) There is a contract or purchase order with a business concern.
 - (2) DOT acceptance of property or services has occurred and there is no disagreement over quantity, quality, or other contractual provisions.
 - (3) A proper invoice has been received, if required, or the accounting office fails to give notice that the invoice is not proper within 15 days of its receipt (3 days for meat or meat food products, and 5 days for perishable agricultural commodities).
 - (4) Payment is made more than 15 days after the due date (3 days for meat and meat food products, and 5 days for perishable agricultural commodities).
- g. Interest penalties are not required when payment is delayed because of a disagreement between a Federal agency and a business concern over the amount of the payment or other issues concerning compliance with the terms of the contract. The term "disagreement" would include vouchers forwarded by the authorized certifying officer to the Comptroller General for an advance decision as covered in paragraph 4c(4), Chapter 1 above. In addition, interest penalties are not required when payments are made solely for financing purposes, or when payments are made in advance or for a period when amounts are withheld temporarily in accordance with the contract.
- h. Interest will be computed from the day after the due date through the payment date. The amount will be separately stated on the check or the accompanying remittance advice (paragraph 9, OMB Circular A-125).
- i. Interest penalties will apply to payments made under contracts issued on or after October 1, 1982 (par. 13, OMB Circular A-125).

7-1-87

15. MINIMUM DOLLAR AMOUNTS FOR COLLECTION ACTION AND REFUND PROCESSING.

- a. General. The establishment of minimum dollar amounts for collection action and refund processing is based on the diminishing returns concept advocated by the Comptroller General in decisions 58 Comp. Gen. 372 and B-217181 of September 29, 1986. In general, these decisions provide that collection action and refund processing need not be initiated when the administrative costs involved exceed the sums to be collected or refunded. The application of this concept to Department operations is discussed below.
- b. Applicability.
 - (1) This procedure is applicable to transactions involving the private sector and Department employees.
 - (2) As far as collections are concerned, this procedure is not applicable in those situations where collection action has already begun. These situations are covered in DOT 2700.14, Financial Management of Receivables, of November 24, 1980.
- c. Minimum Dollar Values.
 - (1) Operating Administrations shall not initiate collection action of \$1 or less on the assumption, without cost studies, that collection costs will always exceed the amount recoverable. They may, however, on their own initiative, establish higher minimums provided that the dollar figure is reasonable and supported by cost studies.
 - (2) Refunds of \$1 or less that are owed by the Operating Administration need not be paid unless a specific claim is made. When a specific claim is made, the refund shall be paid regardless of the amount involved.
- d. Example Transactions. This procedure impacts on transactions processed by accounting offices on a regular basis. For guidance purposes, the following example transactions are provided:
 - (1) Nominal overpayments resulting from errors in computation when an individual requests a number of documents under the Freedom of Information Act.

(2) Nominal amounts owed the Department as shown on travel vouchers submitted by the employee.

(3) Nominal amounts due employees as shown on travel vouchers, except when the employee specifically requests a refund. To be acceptable, the request must be in the form of a separate statement attached to the travel voucher.

Vertical line denotes change.